



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
LANSING



M. SCOTT BOWEN
DIRECTOR

November 12, 2024

To: M. Scott Bowen, Director

Information: Natural Resources Commission

Transaction: Oil and Gas Lease Auction – 2,834.53 acres were offered October 22, 2024

Authority: Part 5, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended

Applicants: The attached auction summary identifies the successful bidders, the total acreage, and the total revenue paid. There were 4 registered bidders with 4 successful bidders.

Mineral Description: The Official Auction Record shows the legal descriptions for each offering.

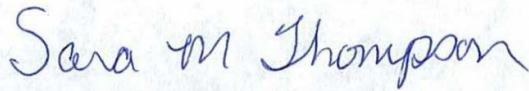
Acres Bid: Of the 2,834.53 acres offered, a total of 2,794.53 acres received successful bids (2,224.53 acres development, 570 acres nondevelopment) in four counties.

Lease Terms: Five-year primary term with two one-year extension options, one-sixth (1/6) royalty. Bonus amount of \$57,630.00 and rental amount of \$26,665.30. Total revenue generated at the auction was \$84,295.30.

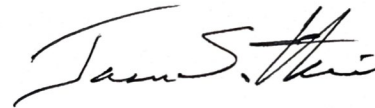
Special Restrictions: In accordance with those described in the Official Auction Record for each applicable auction description.

Notice: This item will appear on the Department of Natural Resources December 3, 2024, Business Calendar and will be eligible for approval December 12, 2024.

Recommendation: That the oil and gas leases be issued to the successful bidders pursuant to the above terms and conditions.



Sara Thompson, Chief
Wildlife Division



Jason S. Haines, Chief
Law Enforcement Division



Jeffery J. Stampfly, Chief
Forest Resources Division



Ronald A. Olson, Chief
Parks and Recreation Division



Randall M. Claramunt, Chief
Fisheries Division



Jon Spieles, Chief
Marketing and Outreach Division



Dan Lord, Chief
Finance and Operations Division

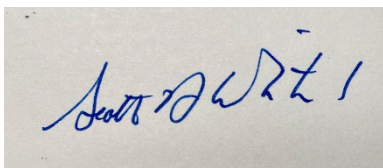


Shannon Lott
Natural Resources Deputy



Kristin Phillips
Chief Administrative Officer

I approve the staff recommendation.



M. Scott Bowen
Director

for

Date Approved: December 12, 2024

State of Michigan
Oil and Gas Lease Auction
October 22, 2024

Bidder Number	Lessee	Total Acres	Total Bonus + Total Rental
101	Gallatin Energy, Inc. P.O. Box 1122 Gaylord, MI 49734	210.00	\$4,200.00
102	J&M Energy, LLC 1425 South Mission Road Mount Pleasant, MI 48858	1,280.00	\$31,120.00
103	Western Land Services, Inc. 1100 Conrad Industrial Drive Ludington, MI 49431	1,104.53	\$22,095.30
104	Missaukee Oil and Gas Company LLC P.O. Box 720 Lake City, MI 49651	200.00	\$26,880.00
	Totals:	2,794.53	\$84,295.30